

286.8-170 Places where records required to be kept -- Examination by executive director -- Fee -- Access to records.

- (1) Every mortgage loan company and mortgage loan broker shall keep at its principal office correct and complete books of accounts and minutes of proceedings of its directors, principals, or partners. Complete records of all business transactions at the principal office shall be maintained at the principal office. Each branch office shall keep detailed records of all transactions at such branch office and shall furnish full control records to the principal office.
- (2) No mortgage loan company or mortgage loan broker by any system of accounting or any device of bookkeeping shall, either directly or indirectly, enter any of its assets upon its books in the name of any person, partnership, association, or corporation, or under any title, designation, or value that is not thoroughly descriptive of any assets.
- (3) The affairs of every mortgage loan company and mortgage loan broker and the records required to be maintained by KRS 286.8-160 are subject at any time or from time to time to such periodic, special, or other examinations by the executive director or an examiner of the executive director within or without this state and with or without notice to the mortgage loan company and mortgage loan broker, as the executive director deems necessary or appropriate in the public interest. All books, papers, and records of assets of the mortgage loan company shall be subject to his inspection.
- (4) The examiner shall make a thorough examination into the condition, workings and affairs of the association and report any violation of law or any unauthorized unsafe practices or any failure to keep and have correct any required books and records as he may find to the executive director.
- (5) A mortgage loan company or mortgage loan broker shall pay a fee for each such examination based on fair compensation for time and actual expense. For the purpose of avoiding unnecessary duplication of examinations, the executive director, insofar as he deems it practicable in administering this section, may cooperate with any agency of the state or federal government, other states, or the federal National Mortgage Association, Government National Mortgage Association, and Federal Home Loan Mortgage Corporation, and may accept such examinations in whole or in part in lieu of an examination by the executive director.
- (6) The executive director or his examiners or designated representative shall have access to all books and papers of a mortgage loan company and mortgage loan broker which relate to their business, and books and papers kept by any officers, agents, or employees, relating to or upon which any record of its business is kept.

Effective: July 15, 1998

History: Amended 1998 Ky. Acts ch. 197, sec. 14, effective July 15, 1998. -- Amended 1986 Ky. Acts ch. 461, sec. 18, effective July 15, 1986. -- Created 1980 Ky. Acts ch. 365, sec. 18, effective July 15, 1980.

Formerly codified as KRS 294.170.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the

Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.